

Message Text

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ORIGIN AF-04

INFO OCT-01 SS-14 ISO-00 EUR-10 EB-03 CIAE-00 INR-10

NSAE-00 RSC-01 NSC-10 NSCE-00 FPC-01 COME-00 SCEM-01

TRSE-00 INT-01 PRS-01 /057 R

DRAFTED BY AF/N:WSWEISLOGEL:EW

APPROVED BY AF/N:WSWEISLOGEL

EUR/CE:LHAICHLER

EUR/WE:MHABIB

EB/ORF/FSE:FMAU

AF/N:JJBLAKE (DRAFT)

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R 202150Z DEC 73

FM SECSTATE WASHDC

TO AMEMBASSY BONN

INFO USINT ALGIERS

AMEMBASSY PARIS

C O N F I D E N T I A L STATE 248162

LIMDIS

E.O. 11652: N/A

TAGS: ENRG, AG

SUBJECT: US/ALGERIAN LNG DEALS

REF: BONN 17843

1. FEDERAL POWER COMMISSION NOW CONSIDERING APPLICATIONS FROM THREE U.S. FIRMS, EASCOGAS, EL PASO, AND DISTRIGAS, FOR PERMISSION IMPORT LIQUEFIED NATURAL GAS FROM ALGERIA. THESE APPLICATIONS ARE PURSUANT TO CONTRACTS SIGNED BY THESE FIRMS WITH SONATRACH IN MAY 1972, OCTOBER 1970 AND MARCH 1971 RESPECTIVELY, FOR PURCHASES OF LNG OVER PERIOD RANGING FROM 22 TO 25 YEARS.

2. IN OCT 29, 1973, LETTER TO CHAIRMAN OF FPC, DEPT
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STATED THAT IN VIEW OF RECENT DEVELOPMENTS AFFECTING U.S.

ACCESS TO FOREIGN SOURCES OF ENERGY, DEPARTMENT OF STATE IS RECONSIDERING ITS POSITION THAT IT HAS NO OBJECTION ON FOREIGN POLICY GROUNDS TO PROPOSED LNG IMPORTS. FPC WAS REQUESTED TO DELAY FINAL DETERMINATIONS PENDING FURTHER RECOMMENDATION FROM DEPT. FPC AGREED HONOR DEPT REQUEST, AND ALTHOUGH IT IS CONTINUING HEARINGS AND OTHER ROUTINE PROCESSING OF APPLICATIONS, IT WILL NOT MAKE FINAL DECISIONS UNTIL DEPT ADVICE FORTHCOMING.

3. FYI ONLY: OPTIONS OF ABOVE-MENTIONED U.S. FIRMS TO PURCHASE ALGERIAN GAS AT RELATIVELY LOW CONTRACT PRICE WILL EXPIRE ON DEC. 31, 1973. PRICES MUST THEN BE RENEGOTIATED AND ARE EXPECTED TO BE MUCH HIGHER, REFLECTING INCREASED WORLD PRICE FOR LNG SINCE ORIGINAL CONTRACTS WERE SIGNED. FIRMS HAVE CALLED OUR ATTENTION TO POSSIBILITY OF PRICE SQUEEZE AND TO THREAT OF EUROPEAN COMPETITION FOR LNG. END FYI ONLY.

4. GERMAN ASSOCIATION OF GAS AND WATER WORKS SHOULD NOT RPT NOT BE PROVIDED WITH INFO CONTAINED PARA 3 VIEW ITS COMMERCIAL SENSITIVITY. RUSH

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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATURAL GAS, WATER, PETROLEUM, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 DEC 1973
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE248162
Document Source: CORE
Document Unique ID: 00
Drafter: WSWEISLOGEL:EW
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731212/aaaaaiti.tel
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Office: ORIGIN AF
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Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
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Reference: BONN 17843
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Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 02 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02-Aug-2001 by worrelsw>; APPROVED <28-Sep-2001 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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Subject: US/ALGERIAN LNG DEALS
TAGS: ENRG, AG
To: BONN
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005